

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12480 (JTD)

(Jointly Administered)

Ref. Docket Nos. 9 & 346

**CERTIFICATION OF COUNSEL REGARDING SUPPLEMENTAL
ORDER FURTHER EXTENDING THE DEBTORS' TIME TO COMPLY WITH
SECTION 345(b) OF THE BANKRUPTCY CODE AND U.S. TRUSTEE GUIDELINES**

On November 3, 2024, the debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”) filed the *Debtors’ Motion for Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Maintain Their Cash Management System, (B) Honor Certain Prepetition Obligations Related Thereto, and (C) Continue to Perform Intercompany Transactions; (II) Waiving Certain Operating Guidelines; (III) Suspending Time to*

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260); Franchise Group Newco BHF, LLC (4123); Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

Comply with Section 345(b) of the Bankruptcy Code; and (IV) Granting Related Relief [Docket No. 9] (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”). By the Motion, the Debtors requested, among other things, a suspension of the requirements (the “345(b) Requirements”) of section 345(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 for a limited period of time.

On December 6, 2024, the Court entered an order granting the Motion on a final basis [Docket No. 346], providing the Debtors with a thirty (30) day extension of time to come into compliance with the 345(b) Requirements (the “345(b) Compliance Deadline”), without prejudice to seeking further extensions.

Following discussions with the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”), the Official Committee of Unsecured Creditors (the “Committee”), and the Ad Hoc Group of First Lien Lenders (collectively, with the U.S. Trustee and the Committee, the “Parties”), the Parties have agreed not to oppose a further extension of the 345(b) Compliance Deadline for an additional thirty (30) days. Consequently, the Debtors are hereby submitting a supplemental order (the “Supplemental Cash Management Order”) extending the 345(b) Compliance Deadline through and including February 6, 2025. The Parties do not object to entry of the Supplemental Cash Management Order.

WHEREFORE, the Debtors respectfully request the entry of the Supplemental Cash Management Order, substantially in the form attached hereto as Exhibit A, at the earliest convenience of the Court.

[Signature Page Follows]

Dated: January 9, 2024
Wilmington, Delaware

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LLP**

/s/ Shella Borovinskaya

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